

Committee: Accounts, Audit and Risk Committee
Date: Wednesday 21 September 2016
Time: 6.30 pm
Venue: Bodicote House, Bodicote, Banbury, OX15 4AA

Membership

Councillor Mike Kerford-Byrnes (Chairman)	Councillor Ian Corkin (Vice-Chairman)
Councillor Hugo Brown	Councillor Sean Gaul
Councillor Barry Richards	Councillor Tom Wallis
Councillor Sean Woodcock	

AGENDA

1. Apologies for Absence and Notification of Substitute Members

2. Declarations of Interest

Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.

3. Petitions and Requests to Address the Meeting

The Chairman to report on any requests to submit petitions or to address the meeting.

4. Urgent Business

The Chairman to advise whether they have agreed to any item of urgent business being admitted to the agenda.

5. Minutes (Pages 1 - 6)

To confirm as a correct record the Minutes of the meeting of the Committee held on 30 June 2016.

6. Chairman's Announcements

To receive communications from the Chairman.

7. Internal Audit - Progress Report 2016/17 (Pages 7 - 18)

Report of the Chief Finance Officer

Purpose of report

To receive PwC's progress report summarising their internal audit work to date.

Recommendations

The meeting is recommended to note:

1.1 The contents of the 2016/17 progress report

8. External Audit: Audit Results Report 2015/16 (Pages 19 - 22)

** The appendices to this report will follow as they have not yet been provided by the external auditor**

Report of the Chief Finance Officer

Purpose of report

To allow Members to consider the Ernst and Young LLP Results Report. This includes comments on the external audit of the 2015/16 Statement of Accounts.

Recommendations

The Accounts, Audit and Risk Committee is recommended to:

1.1 consider the matters raised in the report before approving the 2015/16 financial statements

1.2 note the adjustments to the financial statements set out in Ernst Young's report in appendix 1 (to follow).

1.3 approve the letter of representation on behalf of the Council as set out in appendix 2 (to follow).

9. Statement of Accounts 2015/16 (Pages 23 - 26)

** The appendices to this report will follow as they need to be reviewed following receipt of the external auditor reports**

Report of the Chief Finance Officer

Purpose of report

The purpose of this report is to obtain official sign-off by the Chief Financial Officer and the Chairman of Accounts, Audit and Risk Committee on the audited Statement of Accounts 2015/16.

Recommendations

The Accounts, Audit and Risk Committee is recommended to

1.1 Approve the amendments to the draft 2015/16 financial statements.

10. Changes to the Arrangements for Appointment of External Auditors (Pages 27 - 32)

Report of the Chief Finance Officer

Purpose of report

This report summarises the changes to the arrangements for appointing External Auditors following the closure of the Audit Commission and the end of the transitional arrangements at the conclusion of the 2017/18 audits.

Recommendations

That Accounts, Audit and Risk Committee should consider their preferred approach from the following options and make a recommendation to Council in order to make a first appointment by 31 December 2017:

1.1 Establishing a stand-alone Auditor Panel to make the appointment on behalf of the Council.

1.2 Commencing work on exploring the establishment of local joint procurement arrangements with neighbouring authorities

1.3 Supporting the Local Government Association (LGA) in setting up a national Sector Led Body by indicating intention to “opt-in”

11. Corporate Fraud Team Update (Pages 33 - 102)

Report of Chief Finance Officer

Purpose of report

To provide members of Accounts, Audit and Risk Committee with an update on the joint Corporate Fraud team including a progress report for quarter one of 2016-2017 and feedback from recent Corporate Fraud awareness presentations.

Recommendations

- 1.1 To note the contents of the report and to endorse plans for a further fraud awareness session for elected members.

12. First Quarter Risk Review 2016-17 and revised Shared Risk & Opportunities Management Strategy (Pages 103 - 144)

Report of Director - Strategy and Commissioning

Purpose of report

To update the Committee on the management of Strategic, Corporate and Partnership risks during the first quarter of 2016/17, to present the revised Risk & Opportunities Management Strategy and to report recommendations from the 2015/16 Risk Audit.

Recommendations:

The meeting is recommended to:

- 1.1 Review the full Strategic, Corporate and Partnership Risk Register for 2016/17 and identify any issues for further consideration or referral to Executive.
- 1.2 Note the risk exceptions highlighted and proposed actions.
- 1.3 Consider the impact of the EU referendum vote result and implications on existing or newly identified emerging risks.
- 1.5 Note recommendations and actions arising from the 2015/16 Risk Audit.
- 1.6 Agree the revised Risk and Opportunities Management Strategy for 2016/17.

13. Quarter 1 Treasury Management Report (Pages 145 - 150)

Report of the Chief Finance Officer

Purpose of report

To receive information on treasury management performance and compliance with treasury management policy for 2016/17 as required by the Treasury Management Code of Practice.

Recommendations

- 1.1 To note the contents of the Quarter 1 Treasury Management Report

14. Work Programme (Pages 151 - 152)

To review the Committee Work Programme.

15. **Exclusion of the Press and Public**

The following reports contain exempt information as defined in the following paragraph of Part 1, Schedule 12A of Local Government Act 1972.

3– Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members are reminded that whilst the following item(s) have been marked as exempt, it is for the meeting to decide whether or not to consider each of them in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.

Should Members decide not to make a decision in public, they are recommended to resolve as follows:

“That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part I, Paragraph 3 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

16. **Quarter 1 Treasury Management Report - Exempt Appendix** (Pages 153 - 154)

17. **Finance Improvement Plan - Update** (Pages 155 - 158)

The appendix to this report will follow as it is currently being reviewed and finalised

Exempt Report of the Chief Finance Officer

Councillors are requested to collect any post from their pigeon hole in the Members Room at the end of the meeting.

Information about this Meeting

Apologies for Absence

Apologies for absence should be notified to democracy@cherwellandsouthnorthants.gov.uk or 01295 227956 prior to the start of the meeting.

Declarations of Interest

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates

Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

Evacuation Procedure

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the car park as directed by Democratic Services staff and await further instructions.

Access to Meetings

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named below, giving as much notice as possible before the meeting.

Mobile Phones

Please ensure that any device is switched to silent operation or switched off.

Queries Regarding this Agenda

Please contact Aaron Hetherington, Democratic and Elections
aaron.hetherington@cherwellandsouthnorthants.gov.uk, 01295 227956

Sue Smith
Chief Executive

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